

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

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| THE APPLICATION OF NORTH CENTRAL) | |
| TELEPHONE COOPERATIVE, INC.,) | CASE NO. 8346 |
| FOR APPROVAL OF THE EXPENSING) | |
| OF STATION CONNECTIONS) | |

O R D E R

IT IS ORDERED that North Central Telephone Cooperative Inc., ("North Central") shall file an original and nine copies of the following information with the Commission by February 14, 1985. Each copy of the data requested should be placed in a bound volume with each item tabbed. Where a number of sheets are required for an item, each sheet should be appropriately indexed; for example, Item 1(a), Sheet 2 of 6. Careful attention should be given to copied material to insure that it is legible. If neither the requested information nor a motion for extension of time is filed by the stated date, the case may be dismissed.

Staff Request No. 1

1. According to North Central's 1983 Annual Report (pages 18-19) additions to station connections for 1983 were \$4,648, North Central in Appendix A of its filing dated November 21, 1984, (received November 26, 1984,) shows projected station connections of \$102,852 for each year of the four year phase-in. Based on the lack of growth in 1983, aren't projected station connection expenses overstated for 1984-1985? If you agree, please submit a

revised Appendix A based on more conservative estimates of 1984-1985 projected station connections. If you disagree, please provide evidence supporting the figures listed for 1984-1985.

2. What test period is proposed by North Central in this case for purposes of determining absorption potential? Submit financial data, including a balance sheet and income statement for the proposed test period, in a manner sufficient for the Commission to determine North Central's potential for absorption of the increased expense due to Phase 4 of the expensing of station connection.

3. Provide figures as of the end of the test period stating the balances in the plant account "Station Connections" and the related depreciation reserve account, segregating the amounts applicable to "inside wiring" and "other" for each account.

4. If revenue impact changes as a result of revisions to Appendix A, provide any other necessary revisions to the previous information filed in the Phase 4 application.

Done at Frankfort, Kentucky, this 29th day of January, 1985.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:

Secretary